

COMMITTEE REPORT

MADAM PRESIDENT:

The Senate Committee on Health and Provider Services, to which was referred House Bill No. 1142, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill be AMENDED as follows:

- 1 Page 1, between the enacting clause and line 1, begin a new
2 paragraph and insert:
3 "SECTION 1. IC 12-14-17-2 IS AMENDED TO READ AS
4 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. (a) This section
5 applies upon the death of either of the following:
6 (1) A recipient who is receiving supplemental assistance.
7 (2) An aged, blind, or disabled person who at the time of death
8 was certified as eligible to receive medical assistance under
9 Medicaid.
10 (b) ~~Unless otherwise determined by the director, Except as~~
11 **provided in subsection (c)**, the division shall pay six hundred dollars
12 (\$600) for the funeral director's expenses of the decedent if the
13 following conditions exist:
14 (1) The estate of the deceased is insufficient to pay the funeral
15 director's expenses.
16 (2) The individual legally responsible for the burial of the
17 deceased is unable to pay the funeral director's expenses.
18 **(c) If the division determines that the estate of the deceased is**
19 **sufficient to pay all or part of the funeral director's expenses, the**
20 **division:**
21 **(1) shall pay six hundred dollars (\$600) for expenses that the**

1 **funeral director has incurred; and**

2 **(2) may recover the amount paid by the division under this**
 3 **section as a preferred claim from the estate of the deceased.**

4 SECTION 2. IC 12-14-17-3 IS AMENDED TO READ AS
 5 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. ~~Unless otherwise~~
 6 ~~determined by the director;~~ **(a) Except as provided in subsection (b),**
 7 in addition to money paid by the division under section 2 of this chapter
 8 and even if the deceased or person legally responsible for the deceased
 9 possesses a burial lot, the division shall pay four hundred dollars (\$400)
 10 for the cemetery's expenses for the deceased to cover the following:

11 (1) The provision of burial rights if necessary.

12 (2) The opening and closing of a burial plot and provision of an
 13 outer container.

14 (3) The service required by the cemetery authorities.

15 **(b) If the division determines that the estate of the deceased is**
 16 **sufficient to pay all or part of the cemetery's expenses, the division:**

17 **(1) shall pay four hundred dollars (\$400) for expenses that the**
 18 **cemetery has incurred; and**

19 **(2) may recover the amount paid by the division under this**
 20 **section as a preferred claim from the estate of the deceased.**

21 SECTION 3. IC 12-14-17-3.5 IS ADDED TO THE INDIANA
 22 CODE AS A NEW SECTION TO READ AS FOLLOWS
 23 [EFFECTIVE JULY 1, 2005]: Sec. 3.5. **Except for a claim for the**
 24 **costs and expenses of administration, a claim filed under sections**
 25 **2(c) and 3(b) of this chapter is a superior claim.**

26 SECTION 4. IC 12-14-17-4 IS AMENDED TO READ AS
 27 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4. ~~An amount not~~
 28 ~~exceeding~~ **The division:**

29 **(1) may not consider** a combined total of **one thousand seven**
 30 **hundred fifty dollars** ~~(\$750)~~ **(\$1,750)** that is contributed by:

31 ~~(1)~~ **(A)** friends;

32 ~~(2)~~ **(B)** relatives; and

33 ~~(3)~~ **(C)** the resources of the deceased; **and**

34 **(2) may consider any amount that exceeds one thousand seven**
 35 **hundred fifty dollars (\$1,750) contributed by:**

36 **(A)** friends;

37 **(B)** relatives; and

38 **(C)** the resources of the deceased;

1 ~~may not be considered~~ when determining the amount to be paid to the
 2 funeral director for expenses under this chapter. However, the resources
 3 of the deceased may not be used if the deceased has prepaid funeral
 4 expenses that were excluded as a resource for Medicaid eligibility
 5 under IC 12-15-2.

6 SECTION 5. IC 12-14-17-5 IS AMENDED TO READ AS
 7 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 5. ~~An amount not~~
 8 ~~exceeding~~ **The division:**

9 **(1) may not consider** a combined total of ~~two~~ **four** hundred
 10 dollars ~~(\$200)~~ **(\$400)** that is contributed by:

11 ~~(1)~~ **(A)** friends;

12 ~~(2)~~ **(B)** relatives; and

13 ~~(3)~~ **(C)** the resources of the deceased; **and**

14 **(2) may consider any amount that exceeds four hundred**
 15 **dollars (\$400) contributed by:**

16 **(A) friends;**

17 **(B) relatives; and**

18 **(C) the resources of the deceased;**

19 ~~may not be considered~~ when determining the amount to be paid to the
 20 cemetery for expenses under this chapter. However, the resources of the
 21 deceased may not be used if the deceased has prepaid funeral expenses
 22 that were excluded as a resource for Medicaid eligibility under
 23 IC 12-15-2."

24 Page 1, between lines 10 and 11, begin a new line blocked left and
 25 insert:

26 **"The office shall inform an individual before the individual makes**
 27 **an assignment or irrevocable election under this section that the**
 28 **individual may have a life insurance policy with a face value of not**
 29 **more than ten thousand dollars (\$10,000) that provides for the**
 30 **payment of the individual's funeral expenses under IC 12-15-2-17."**

31 Page 4, line 10, after "if" insert **"no more premiums are due on the**
 32 **policy and"**.

33 Page 4, delete lines 18 through 31, begin a new paragraph and insert:

34 **"(c) After the state:**

35 **(1) receives payment from a life insurance policy described in**
 36 **subsection (a); and**

37 **(2) recoups the state's expenses of providing services under the**
 38 **Medicaid program for the individual;**

1 **the remainder of the amount of the policy reverts to the secondary**
2 **beneficiary of the life insurance policy or, if there is not a**
3 **secondary beneficiary, to the individual's estate."**

4 Renumber all SECTIONS consecutively.
 (Reference is to HB 1142 as reprinted January 26, 2005.)

and when so amended that said bill do pass.

Committee Vote: Yeas 7, Nays 0.

Miller

Chairperson